

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 259 - SB 464

February 25, 2013

SUMMARY OF BILL: Authorizes residents of Kentucky, who live within 30 miles of Livingston, Tennessee, who are admitted to Volunteer State Community College at Livingston (VSCCL), to pay the in-state rate of tuition in lieu of the out-of-state rate of tuition, beginning in the 2013-2014 academic year.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – \$53,200/FY13-14

Exceeds \$56,300/FY14-15 and Subsequent Years

Assumptions:

- Lost tuition revenue to VSCCL will be replaced with an increased appropriation from the General Fund.
- According to the Tennessee Board of Regents (TBR), one out-of-state student enrolled at VSCCL who would have received the in-state tuition rate in the fall semester of 2012 under the provisions of this bill.
- TBR estimates four additional out-of-state students who live within 30 miles of the VSCCL campus will pay the in-state rate of tuition in lieu of the out-of-state rate of tuition as a result of this bill, beginning in FY13-14.
- Based on the two prior assumptions, the average number of students who will pay the in-state rate of tuition in lieu of the out-of-state rate of tuition is estimated to be five each year.
- According to TBR, the difference between the in-state rate of tuition and out-of-state rate of tuition is \$10,632 per year.
- Tuition will increase approximately six percent each year.
- The increase in state expenditures from the General Fund for FY13-14 is estimated to be \$53,160 (5 x \$10,632).

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- Given annual growth in tuition, the recurring increase in state expenditures from the General Fund for FY14-15 and subsequent fiscal years is estimated to exceed \$56,349 (\$53,160 x 106%).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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